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TAGS: <u>PGOV PREL PBTS OFDP OVIP BL AR CO BR</u> SUBJECT: NEW PUSH FOR DIALOGUE: SHOW BEFORE THE SHOWDOWN?

REF: LA PAZ 677

Classified By: EcoPol Chief Mike Hammer for reasons 1.4 (b) and (d)

- 11. (U) Summary: Foreign Minister David Choquehuanca called for renewed examination of third-party facilitated negotiations with the opposition March 31, in conjunction with an April 1 La Paz visit by OAS envoy Dante Caputo. Caputo met with Santa Cruz opposition leaders April 2. Choquehuanca said the government is looking into all options to "get the opposition to the table," including facilitation by OAS, church, or a "friends group" of countries. Foreign Ministry delegations from Argentina, Colombia, and Brazil are arriving April 3-4 at government invitation.
- 12. (C) Despite what we've heard from the Vice President, MFA Vice Minister Cabinet Director Jorge Caballero told PolOff April 1 that there is no role for the United States in any friends group. Caballero said the government would only resort to a friends group after May 4, hoping the violence it produces can be blamed on the opposition to bolster its negotiating posture. Caballero opined that the government would use third-party facilitation of a dialogue as a stalling tactic or if it could be reasonably assured of a GOB-friendly outcome. He said the government wants to prevent the May 4 referendum from happening, but if it goes forward will use its civilian supporters to bloody the event to challenge the legitimacy of the results. End Summary.

Surprise OAS Visit: Caputo to the Rescue? _____

13. (U) An OAS delegation led by Dante Caputo, Deputy Secretary for Political Affairs, arrived in La Paz March 31.

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The delegation met with President Evo Morales, Foreign Minister David Choquehuanca, Senate President Oscar Ortiz (PODEMOS-Opposition), Chamber of Deputies President Edmundo Novillo (MAS-Government), and National Electoral Court President Jose Luis Exeni on April 1. Caputo met April 2 with Santa Cruz Department Prefect (state governor) Ruben Costas, and had separate meetings with leaders of neighborhood civic groups, legal expert and autonomy statutes drafter Juan Carlos Urenda, and Martha Lazo, the Santa Cruz director for the watchdog "fourth power," representing social and indigenous groups.

- 14. (C) The visit comes as something of a surprise, as the Bolivian government had put the OAS on hold pending the outcome of proposed church negotiations. The government appears to have called in Caputo for a last-minute detour as he was returning from a medical trip to Argentina. In any event, OAS officials were expecting OAS Secretary General Jose Miguel Insulza to be tapped for such a trip.
- 15. (C) Bernhard Griesinger, OAS Representative in Bolivia, told PolOff weeks ago that the government reacted defensively to the OAS statement following the February 28 encirclement of the Bolivian congress by government supporters, keeping opposition congressmen from attending critical votes. He said the government was surprised at the level of OAS criticism, particularly following a rosy Morales January 25 reception with Insulza. Griesinger told DCM on April 2 that there was also resistance to OAS involvement by the opposition, which was very upset by remarks made by Insulza and "spin" by the government according to Griesinger. The OAS representative told DCM that Caputo may return in 12-19 days to mediate between the government and opposition, if conditions warrant.

Evo Invites Superfriends (not U.S.) to La Paz

16. (C) Foreign Minister David Choquehuanca told leading daily La Razon March 31 that the government would evaluate the option of OAS facilitation "in parallel" with an option to have a "group of friends" from various countries facilitate. The latest list of such a group based on anonymous sources from Brazilian newspaper Folha includes Brazil, Argentina, Colombia, and, maybe, Mexico (Note: we have also heard Peru and the U.S. as possible members. End Note.) Argentine Foreign Minister Jorge Taiana and Colombian Vice Foreign Minister Camilo Reyes arrive in La Paz today (April 3) to meet with government and opposition leaders. Reyes is scheduled to meet with President Morales at 9:30 a.m. Brazilian Foreign Minister Celso Amorim will arrive April 4. Government invitations have not been sent to the U.S. nor Mexico, according to anonymous media sources in the Mexican Embassy.

Government Talks Up Dialogue, But Not With Opposition

- 17. (U) Foreign Minister Choquehuanca explained that the government is looking into various options to facilitate a negotiation with the opposition. "We are not going to concentrate only in one option," said Choquehuanca in reference to stalled efforts to get the Catholic Church to play a facilitation role. "We want, with the help of these organizations, to bring the opposition to negotiation table." The government had still not favored any option nor laid out any concrete dialogue agenda. The only official mention of the OAS meetings was state media coverage of the National Electoral Court meeting, which laid out the reasons the court cannot verify or recognize the May 4 Santa Cruz autonomy referendum results and announced an OAS audit of the CNE's electoral roles in the coming weeks.
- 18. (C) Choquehuanca stressed that he was in a hurry to get a dialogue started before Santa Cruz's May 4 autonomy referendum because the alternative is an obligation to "respect the law" (Comment: we take this rather cryptic comment as a veiled threat of a crackdown on opposition referendum organizers or an admission that the government/police will not step to quell violence associated with the "illegal" referendum. End Comment.) A spokesman for the Archbishop of Santa Cruz said the church has not received any indication from either side that they want to negotiate.

19. (U) Presidential Minister Juan Ramon Quintana and other government officials are busy characterizing opposition leaders in Santa Cruz as unreasonable radicals intent on tearing Bolivia apart. "The government has not proposed any conditions (for dialogue). I hope the opposition recovers its moderation, its calm, and says yes to dialogue for the peace of the country," said Quintana. Opposition Senator Roberto Yanez shifted the onus for dialogue on the government, saying its the government's responsibility to initiate a negotiation process. Three former Bolivian Presidents (Carlos Mesa, Jaime Paz Zamora, Guido Vildoso) and one former Vice President (Victor Hugo Cardenas) jointly asked President Morales to "take a step back," revoke the draft constitution, and return hydrocarbon funds to the prefects (states). Paz Zamora and Cardenas said it was incumbent on the government to initiate a negotiated solution with the opposition.

Santa Cruz/Opposition Reaction

- 110. (U) Despite the government's new public push for negotiation, Santa Cruz leaders say the government has not talked to them about a new dialogue. Santa Cruz's Director of Autonomy Carlos Dabdoub publicly discounted the motives of the government's latest dialogue overtures: "If the purposes of dialogue is to postpone May 4, this will not happen."
- 111. (C) Santa Cruz Director for International Relations Karen Balcazar told PolOff that the best prefect leaders are hoping for is that Caputo presents a balanced report to the OAS. She said prefectural officials laid out in detail to Caputo the history and reasoning of the autonomy movement in Santa Cruz, after which Caputo stayed true to his characterization of his "listening tour" and had no substantive comments. He explained to opposition leaders that the OAS could only take on a observer role for the May 4 referendum at the request of the Bolivian Foreign Ministry.

MFA insider: No U.S. Role in Negotiations

- 112. (C) MFA Vice Minister Cabinet Director Jorge Caballero (protect) bluntly said there is no role for the United States in any "friends group," directly contradicting what Vice President Alvaro Garcia Linera told us last week (reftel). Caballero said a U.S. role would be unacceptable to the government, just as a Venezuelan role would be unacceptable to the opposition. He asserted MAS hard-liners would color our intentions as "intervention" and we could ultimately endanger the prospects of a negotiated settlement. Caballero's advice is we stay out of any direct, public mediation role and instead work behind the scenes with international partners; i.e. push them to play a role.
- 113. (C) Caballero said he had never heard the U.S. was being considered in a friends group. He suspected all the different friends group compositions are being floated because there is no agreement on who should be in such a group and when asked about it, officials are just throwing some reasonable names out off the top their heads. To the best of Caballero's knowledge the government has not seriously considered who would be in such a group, consistent with their low prioritization of this option (see below).

Trying to Decipher the GOB Plan

114. (C) Although Caballero concedes there is much internal MFA confusion regarding the government's plan, he said the follow rank list of options was his best effort at deciphering the administrations strategy. He emphasized, however, that incompetence and misunderstandings reign supreme in the Morales interagency process and added that "having a plan is one thing, but executing it is another thing."

--Option 1: OAS. This is the only real option both sides "could accept" to come to a negotiated solution, in Caballero's opinion, but Caputo is an unknown quantity to the GOB. Government leaders will feel out Caputo April 1 and push for an OAS facilitation/mediation role if they determine he is inclined to favor the government position. They may also accept an OAS role if they feel it will buy them time, as they feel like the opposition has captured the momentum and will support any veneer of facilitation/mediation if it postpones autonomy. If the Morales Administration gets the feeling he is inclined to favor the opposition, they will move to option 2. This option also fails if the opposition opposes it for perceived government leanings, which is likely, considering their inherent distrust of the OAS and preference for church mediation.

--Option 2: Church. Caballero said the government turned to the church first more as a stalling tactic than a good-faith effort to negotiate a long-term solution. In fact, the government would prefer the OAS because it sees the OAS as more favorably inclined to it than the church. That said, the best government outcome would be for the church to ask Santa Cruz to postpone the autonomy vote for the sake of dialogue. In this scenario, the government wins if Santa Cruz accepts postponement (unlikely) and wins if Santa Cruz rejects it, as government will claim the moral high ground and that even the church is on its side against cruzeno radicals.

--Option 3: Violence. There is no feeling of urgency to the government negotiating strategy because they view May 4 violence as an acceptable outcome and negotiation by other means, especially if they can distance themselves from the blame.

--Option 4: Friends Group. The government would resort to this only after May 4, as it determines it will have more leverage with foreign governments after people die or get hurt in the "opposition's referendum." The government thinks it could use foreign governments or international institutions to force the Media Luna to heel, something it "realizes it cannot do" by force. In any event, the Morales Administration will have nothing to loose. A Friends Group mandate could be revoked at anytime by the government and results wouldn't be enforceable; neighbors will ultimately avoid confrontation with the Bolivian government.

GOB Red Lines

115. (C) Caballero said the government will not compromise on granting autonomy originating from the Department or on moving forward on a new constitution, although they are open to changes to the constitution. The ruling MAS party is having some second thoughts about parts of its draft constitution (overlapping autonomies, communitarian justice), which they could change and then paint as benevolent compromises to the sake of national compromise. Caballero said the government has always been open to changing the draft constitution and is now ready to compromise on distribution of funds for the prefects (states), "but now it is too late. Santa Cruz wants a lot more."

Making May 4 Illegitimate, Not Just Illegal

116. (C) Ultimately, Caballero said the government understands it cannot win with a heavy hand in Santa Cruz and can't win by allowing a peaceful, successful referendum to occur. "That would be the end for them. They need to show the outcome is in dispute." They will use violence to discredit the referendum, casting it as illegitimate, not just illegal. In the same way that the draft constitution will forever be associated with violence in Sucre, the government hopes to undermine Santa Cruz's referendum with violence and chaos. Because the government "understands they cannot rely on the

security forces" (Note: Minister of Defense Walker San Miguel discarded any use of the military to impose a "state of siege" April 2. End Note.), they will instead step back and allow supporters in MAS strongholds around Santa Cruz to attack polling stations, referendum officials, and anyone who tries to participate. Caballero said this is partially a deliberate strategy and partially out of the government's

hands, as they can't control their radicals any better than the opposition can, allowing the government to plead deniability for blame in the outcome. "You should not allow them to deny their responsibility." Caballero was concerned that ideological extremists from neighboring countries might play a role and push more reasonable Bolivians to violence.

Chapare Indigenous Leaders: "Evo Does Not Negotiate"

117. (C) Indigenous rural leaders from the Evo bastion of Chapare, a region infamous for coca production encompassing most of Cochabamba department, told PolOffs today that they have known Morales since the 1980s during his rise as leader of the coca unions and "he has never compromised." They lamented Evo worked his way up in both the coca union and politics by projecting an inclusive image publicly, but busting heads behind the scenes. When his tenure ended as president of the coca unions, he simply changed the rules to allow multiple terms (Morales maintains the union presidency today). They ominously warned that May 4 in Santa Cruz would be a repeat of Evo's 2001 takeover of the Assembly of Sovereign People (their organization): when Evo couldn't talk his way to a MAS takeover, he ordered his supporters to "kick out" his detractors, resulting in a death, three serious injuries, and division of the permanent organization.

Comment

118. (C) The Morales Administration is interested in the public relations value of cultivating a image of a government that values dialogue, but short on concrete proposals. That said, the opposition in Santa Cruz is not inclined to negotiate either; they are just more honest about it. We are inclined to accept Caballero's pessimistic analysis: the government is ultimately more interested in using negotiations as a tool to scuttle the May 4 referendum than as a means to establish a comprehensive peace with the opposition. Without pressure from the international community (as opposed to support), there is no reason to believe the government calculus will change. End Comment. GOLDBERG